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Briton to Question London-Based Operations of CIA

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The London Sunday Times
LONDON—In the House of Commons on Tuesday, Prime Minister Harold Wilson faces a more than usually leading question. Stan Newens, a Labor party member of Parliament, will ask:

"Will the prime minister make a statement on his policy towards efforts which are being made by the United States Central Intelligence Agency and other United States intelligence organizations to infiltrate and influence organizations which function in British-administered territories for purposes of subversion of law and order?"

As a booby trap, the question lacks finesse, and "no...sir" is the most likely, although ambiguous answer. But there is more to it than that.

Although Newens appears to know nothing of the details, he is in fact hinting at a substantial case.

This is the downfall of the left-wing Cheddi Jagan government in the colony of British Guiana (now independent Guyana) in 1964. Inquiries by the *London Sunday Times* last week made it clear that this was engineered largely by the CIA.

The only cause for a certain amount of parliamentary unease would seem to be that this government happened to be in a British colony. And the cover which the CIA used was a London-based international trade union secretariat, Public Services International.

As coups go, it was not ex-

pensive. Over five years, the CIA paid out something over \$700,000.

For British Guiana, the result was about 170 dead, untold hundreds wounded, roughly \$28 million worth of damage to the economy and a legacy of racial bitterness.

British Guiana, perched on the northeast corner of South America, was never one of Britain's happiest colonies.

When, in 1953 the first government was elected—under an Indian dentist, Cheddi Jagan—he and his wife, Janet, did seem a trifle left-wing, but the Colonial Office reasoned—correctly—that he won, not because of his politics, but because of his race.

Race has always split the country: 300,000 Indians scattered mainly through the rural areas, 200,000 Africans clustering mainly in the townships, and about 100,000 polygot.

The Indians voted fairly solidly for the ascetic, left-wing Jagan. The Africans voted equally solidly for Forbes Burnham, an African lawyer well to the right.

To Britain's intense surprise, Jagan meant his left-wing words. He moved against the foreign sugar companies—he lasted three months.

Then the British government moved in to quell the uproar, flung out Jagan and stayed until 1957. Jagan, saying exactly the same things, won the 1957 elections too.

It began to dawn on everybody—most forcibly upon the

Americans looking somewhat apprehensively southward—that only an upheaval would ever unseat Jagan.

Public Services International had been in contact with the Guyana civil service union since the early 1950s. PSI was one of the weaker and less prestigious of the various international networks which exist to export the union know-how of advanced industrial countries to less developed societies.

By 1958, its finances were low and its stocks were low with its own parent body, the International Confederation of Free Trade Unions.

The financial crisis was resolved, quite suddenly, by the PSI's main American affiliate union, the Federation of State, County and Municipal Employees. Its boss, Dr. Arnold Zander had, he told the PSI, "been shopping," and had found a donor.

The PSI's representative, said Zander, would be an American, Howard McCabe. McCabe, appeared to have no previous union history, but the PSI liked him.

The full ludicrousness of this situation appears not to have dawned on the PSI. Zander's union had about 210,000 members at that time, and a monthly income of about \$1,680. Yet everyone in the PSI knew that the Latin-American operation must be costing every penny of \$7,000 a month.

Jagan finally precipitated his own downfall.

The catalyst was a labor relations bill, which would have

forced Guyanese employers to recognize whatever union the workers chose in a secret ballot.

The catch was that, since Jagan could organize the polling areas, the balloting was wide open to government gerrymandering.

The general strike began in April 1963. Jagan seems to have thought that the unions could hold out a month. It was an expensive miscalculation, and by the 10th week, Jagan, not the unions, was desperate.

McCabe was providing the bulk of the strike pay. McCabe found the money for distress funds, and for the strikers' daily 15 minutes on the radio, and their propaganda, and considerable traveling expenses.

Jagan was crushed by the longest general strike in history—79 days.

At the time, Jagan—and a few of the British Labor party—complained of CIA influence. But nobody could prove who Zander's "kind donor" was.

In February 1967, Zander confessed that his little union had been heavily financed by the CIA from 1958 to 1964.

The "kind donor" was in fact an outfit called the Gotham Foundation—run from a small law office in New York by "a man with a funny sounding name" which Zander does not now recall. The Gotham Foundation, is acknowledged to have been a CIA front.